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REMARKS

Claims 1-4 and 6 have been canceled. New claim 7 has been added. No new matter has been added. Claims 5 and 7 remain in the application. Reconsideration and reexamination is respectfully requested.

Support for new claim 7 may be found in the table on page 3 of the application (BIT2).

In the office action mailed 07/14/2006, claims 1-6 were rejected under 35 U.S.C. § 102(b) as allegedly anticipated by U.S. Patent Number 6,047,103 (Yamauchi *et al.*). Applicant respectfully traverses with respect to claim 5.

In claim 5 and in new claim 7, the header data permits the drive to send unencrypted sector data to a requestor. In Yamauchi *et al.*, the drive is never permitted to send unencrypted sector data.

In Yamauchi *et al.*, for one state of the attribute flag the drive must convert the digital data into video before being output (for example, column 8, lines 62-65). That is, what is sent is not the unencrypted sector data, but a transformation of the sector data. In another state, encrypted data is sent after authentication is successful (for example, column 8, lines 8-27).

Entry of this amendment is respectfully requested. This application is considered to be in condition for allowance and such action is earnestly solicited.

Respectfully submitted,

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